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July 9, 2021

Arizona Corporation Commission
1200 W. Washington St.
Phoenix, Arizona 85007

Re: In the Matter of the Application of Arizona Public Service Company for a Ruling Relating to Its 2021 Demand Side Management Implementation Plan (Docket No. E-01345A-20-0151)

Dear Chairwoman Márquez Peterson and Commissioners,

Please see the attached letter supporting the timely approval of the Arizona Public Service Company's (APS) 2021 Demand-Side Management Plan. The letter is signed by 47 businesses and private organizations with significant operations and businesses throughout the West. These entities support the optimization of energy use in the built sector in order to reduce greenhouse gas emissions, spur building design and construction innovation, improve public health, and increase the number of high quality jobs available to Arizonans. The 2021 APS Demand-Side Management Plan also continues several key programs measures designed to support customers impacted by COVID-19, which is important as our state recovers from the COVID-19 crisis.

Signatories include:

Adobe
Ameresco
AR Green Consulting
Autodesk
Avocado Green Brands
BAR Architects
Ben & Jerry's
Biotic Brands
Bolt Design Studio
Boulder Organic Foods
Burton Snowboards
Change Finance
Cree Lighting
DSM
Dignity Health-St. Rose Dominican
Eaton Corporation
France Sustainable Solutions
Franklin Energy
Geostrategies, LLC
Green EconoME
IKEA Retail U.S.
JLL
Legacy Vacation Resorts
Lundberg Family Farms
Lutron Electronics
Mithun
National Association of Energy Service Companies (NAESCO)
Nature's Path
New Belgium Brewing
Numi Tea
O'Brien 360
PayPal
Proctor Engineering Group
Repurpose, Inc.
Salesforce.com, Inc.
Schneider Electric
SERA Architects
Seventh Generation
Siemens
Sierra Nevada Brewing
Switch Automation
Turner Real Estate
Unilever
Uplight
VF Corporation
ZGF Architects

The Commission's attention to this matter is greatly appreciated. Please do not hesitate to reach out if you have any questions.

Sincerely,
Emily Duff

July 9, 2021

Dear Members of the Arizona Corporation Commission,

As businesses, higher education institutions, and healthcare systems across the West, we write to urge our state leaders to pursue ambitious building decarbonization policies. Reducing carbon emissions throughout the design, construction and operation of buildings will save money while spurring innovation, improving public health, and helping drive economic recovery.

Climate change poses a significant risk to our long-term economic success, impacts the health and livelihood of the communities in which we operate and live, and disrupts the value chains on which we rely. We are already feeling the effects of climate change across the West—from increased heat waves and extreme wildfires, to drought and hazardous air quality.

Because of these risks, we are making significant commitments and investments to reduce our greenhouse gas (GHG) emissions.[1] The energy use at our facilities is a significant cost and increasing our energy efficiency is a major focus of our sustainability efforts. Clean energy investments are an economic opportunity, saving major energy buyers in the U.S. billions of dollars a year while reducing emissions.[2] Including robust building decarbonization policies and programs in our tool box will help us meet our goals faster and more cost-effectively, all while reducing climate-related risk.

Building decarbonization policies and practices include energy efficiency programs; building energy benchmarking programs; sustainable building design approaches; sustainable building design approaches; performance standards for new and existing buildings; strategic electrification; building energy and water codes; strategic energy management; building-level distributed generation and storage; and demand-side management (DSM) programs. Building decarbonization practices can provide energy users valuable insights into how much energy a building uses, helping us better manage performance, identify opportunities to cut energy costs, and make informed capital investment decisions. All consumers, businesses, and institutions benefit when we eliminate energy waste.

At the microgrid, community and grid scale level, building decarbonization investments also support resiliency. As climate change exacerbates extreme weather events, building decarbonization policies–such as those supporting distributed energy resources and demand response—enable strategic grid management and enhance grid resiliency, ensuring all customers have access to reliable power.

Carbon emitted during construction, which includes emissions from the manufacture and transport of building materials, must also be addressed.[3] While climate benefits from operational savings accrue over decades, reducing carbon from building materials delivers immediate climate benefits. New tools are available to easily and accurately calculate, track and compare the carbon footprint of materials used in construction. This will allow recovery efforts to fully address the total carbon impact of new investments.

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[1] Nearly early half of all Fortune 500 companies have set goals to reduce GHG emissions, procure renewable energy, and invest in energy efficiency, see: https://www.ceres.org/resources/reports/power-forward-3; Health systems in the U.S. have committed to increasing climate resilience and reducing GHGs, see: https://noharm-uscanada.org/healthcareclimatechallenge.

[2] In 2017, major energy buyers in the US saved nearly $3.7 billion a year from investments in clean energy, see: https://www.ceres.org/resources/reports/power-forward-3

[3] Embodied carbon will account for more than half of building related GHGs through 2050; see: https://architecture2030.org/new-buildings-embodied/

Decarbonizing the building sector will also generate economic, public health, and equity benefits. Investing in more efficient buildings will help the West build a more robust and resilient economy as we grapple with the challenges of the COVID-19 pandemic, creating local jobs that pay well and are not easily outsourced.[4] Inefficient buildings and appliances disproportionately impact the health and financial stability of marginalized and low-income communities—the same communities most affected by the pandemic. Investments in these communities can reduce exposure to hazardous indoor and outdoor air pollutants and improve energy affordability, improving public health and raising disposable incomes.[5]

We strongly support the establishment of robust building decarbonization policies. As the West recovers from the impacts of the COVID-19 pandemic, these policies will help ensure the long-term health of the region's economy and citizens.

Sincerely,

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Seventh Generation*
Siemens*
Sierra Nevada Brewing*
Switch Automation
Turner Real Estate
Unilever*
Uplight*
VF Corporation*
ZGF Architects

** Denotes over $100 Million in annual revenue*

For more information or to connect with the signatories, please contact duff@ceres.org.

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[4] E2. "Clean Energy & COVID-19 Crisis | June 2020 Unemployment Analysis." July 10, 2020. https://e2.org/reports/clean-jobs-covid-economic-crisis-june-2020/

[5] Rocky Mountain Institute. "Gas Stoves: Health and Air Quality Impacts and Solutions." 2020. https://rmi.org/insight/gas-stoves-pollution-health; ACEEE. "How High Are Household Energy Burdens? An Assessment of National and Metropolitan Energy Burdens across the U.S."" September 10, 2020 https://www.aceee.org/research-report/u2006.


Adobe


AMERESCO


GREEN CONSULTING


AUTODESK


AVOCADO
GREEN
BRANDS


BAR architects


BEN & JERRY'S


BIOTIC
KVASS


BOLD DESIGN STUDIO


BOULDER
ORGANIC
FOODS


BURTON


CHANGE FINANCE


CREE LIGHTING


DSM
BRIGHT SCIENCE. BRIGHTER L


Dignity Health.


EATON
Powering Business Worldwide


FRANCE
Sustainable
Solutions


GeoStrategies, LLC
A Leader in Solar+BESS Project Development


GREEN ECONOME


IKEA


JLL


LEGACY
VACATION RESORTS
CERTIFIED B CORP


LUNDBERG
FAMILY FARMS


LUTRON


MITHŪN | SOLOMON


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